



## **STAFF REPORT**

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### **RESOLUTION REJECTING ALL BIDS FOR THE REDEVELOPMENT AGENCY SIDEWALK IMPROVEMENT PROJECT, CITY CONTRACT NUMBER 468**

Honorable Chair and Board Members:

#### **Summary**

Staff requests that the Belmont Redevelopment Agency (RDA) reject all bids received for City Contract Number 468, the Redevelopment Agency Sidewalk Improvement Project. The sole bid received exceeded the amount approved for contract award and exceeds available project funding. Staff recommends that the project be combined with the work planned for FY07 and readvertised this winter for spring 2007 construction.

#### **Background**

Throughout Belmont's redevelopment and downtown area, businesses and residences are fronted with various types of concrete, bomanite (red stained and stamped concrete), or brick paver sidewalks. Occasionally the sidewalk uplifts, subsides, or cracks, creating a tripping hazard. While sidewalk maintenance is generally the adjacent property owner's responsibility, the Council directed staff to do repairs to the sidewalk in the downtown area.

The Redevelopment Agency planned to allocate \$250,000 every year for five years for miscellaneous street improvement and sidewalk repairs in the Redevelopment Area in the FY06 budget. Staff completed plans and specification for FY06 design (Phase I) and is the finishing FY07 design (Phase II).

On May 9, 2006, the Redevelopment Agency approved advertising and awarding City Contract Number 468 (Phase I) for an amount up to the engineer's estimate of \$248,445. The landscape consultant prepared the engineer's estimate and staff determined that it was reasonable and within expected costs. Bid opening was scheduled for May 25, 2006 at 2 pm.

#### **Discussion**

The City Clerk opened bids on May 25, 2006. Although three contractors requested bid packages, only JJR Construction Inc. submitted a bid in the amount of \$330,000. Staff spoke with the bidder and evaluated the bid results to determine why the bid was much higher than the engineer's estimate and why there was not more competition for the project. The main reason is the lack of available contractors with capacity to complete this work this summer. Contractors

typically bid higher on a project when they are busy. Staff spoke with the two other potential bidding contractors that requested project plans and was told they too had enough work through the end of the year and did not have the time or a break in their construction schedule to bid this project.

The surplus of work in the area discouraged prospective contractors from bidding on this project. To increase chances of multiple competitive bids from prospective contractors, staff proposes to combine Phase I with Phase II and readvertise the combined project this coming winter when there is traditionally a lull in construction work.

Phase II is sidewalk replacement along Ralston Avenue between Old County Road and Hiller Street. Staff's landscape consultant is finishing plans to replace the concrete/bomanite sidewalk with brick pavers and install street trees where feasible. Staff will present the proposed plan to the Planning Commission in August or September before bringing it to the Redevelopment Agency Board for approval to advertise.

The Redevelopment Agency allocated \$250,000 in RDA account number 351-4610-9534-9030 in the FY06 budget. These monies were not be used and so were be returned to the RDA fund. As part of the FY07 mid-year budget augmentation review, staff will request that the Redevelopment Agency increase the FY07 RDA budget account number 351-4610-9534-9030 from \$250,000 to \$500,000 to fund construction of the Phase I and Phase II sidewalk improvements.

### **General Plan/Vision Statement**

Project was designed in accordance with the Belmont Downtown Specific Plan.

### **Fiscal Impact**

There is no fiscal impact from the action of rejecting all bids. The \$250,000 budgeted in FY06 was not used and was returned to the fund balance. Staff requests that the Redevelopment Agency increase the FY07 RDA budget account number 351-4610-9534-9030 from \$250,000 to \$500,000 in the mid-year budget augmentation to fund the construction of the combined Phase I and Phase II project. This budget is funded from the Redevelopment Agency bond proceeds.

### **Public Contact**

Posting of the Redevelopment Agency agenda.

### **Recommendation**

Staff recommends the Redevelopment Agency reject the bid from JJR Construction Inc. Staff will plan to readvertise the project this coming winter to increase chances of receiving multiple competitive bids.

**Alternatives**

1. Take no action.
2. Refer back to staff for further information.

**Attachments**

- A. Resolution

Respectfully submitted,

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Bennett Chun, P.E.  
Associate Engineer

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Raymond E. Davis III, PE, PTOE  
Director of Public Works

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Maureen L. Cassingham  
Interim Executive Director

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**REDEVELOPMENT AGENCY RESOLUTION NO.**

**RESOLUTION OF THE CITY OF BELMONT REDEVELOPMENT AGENCY REJECTING  
ALL BIDS FOR THE REDEVELOPMENT AGENCY SIDEWALK IMPROVEMENT PROJECT,  
CITY CONTRACT NUMBER 468**

**WHEREAS**, on May 9, 2006, the Redevelopment Agency approved advertisement of City Contract Number 468 for the Redevelopment Agency Sidewalk Improvements and approved award of a construction contract to the lowest responsible bidder for an amount not to exceed \$248,445; and,

**WHEREAS**, the City Clerk received one bid from JJR Construction Inc. for the Redevelopment Sidewalk Improvement project; and,

**WHEREAS**, the bid was substantially higher than the original engineer's estimate of \$248,445 and exceeds available funding; and,

**WHEREAS**, staff will present to the Planning Commission a plan for a second phase for sidewalk repair and street tree replacement on Ralston Avenue between Old County Road and Hiller Street; and,

**WHEREAS**, staff will combine the project phase one scope of work with the second phase sidewalk replacement project; and,

**WHEREAS**, staff will ask the Redevelopment Agency to approve the combined project for readvertisement in the winter.

**NOW, THEREFORE, BE IT RESOLVED** that the Redevelopment Agency of the City of Belmont:

1. Rejects all bids received for City Contract Number 468.
2. Directs staff to combine Phase I and Phase II of the Redevelopment Agency Sidewalk Improvements into a single design and bid package for advertisement in FY07.
3. Directs staff to increase the FY07 project budget, account 351-4610-9534-9030, from \$250,000 to \$500,000 as part of the mid-year budget augmentation.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Redevelopment Agency of the City of Belmont at a regular meeting thereof held on July 11, 2006 by the following vote:

AYES, DIRECTORS: \_\_\_\_\_

NOES, DIRECTORS: \_\_\_\_\_

ABSTAIN, DIRECTORS: \_\_\_\_\_

ABSENT, DIRECTORS: \_\_\_\_\_

\_\_\_\_\_  
Secretary, Redevelopment Agency

APPROVED:

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Chair, Redevelopment Agency